

**CITY OF FOREST LAKE
WASHINGTON COUNTY, MINNESOTA**

ORDINANCE NO. 761

AN ORDINANCE AMENDING ORDINANCE 620, MODIFYING THE ELECTRIC SERVICE FRANCHISE FEE ON NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION, ITS SUCCESSORS AND ASSIGNS, FOR PROVIDING ELECTRIC SERVICE WITHIN THE CITY OF FOREST LAKE.

THE CITY COUNCIL OF THE CITY OF FOREST LAKE DOES ORDAIN:

SECTION 1. The City of Forest Lake Municipal Code is hereby amended by deleting those words ~~stricken through~~ and adding those words that are underlined.

Subd. 1. Purpose. The City of Forest Lake City Council has determined that it is in the best interest of the City to impose a franchise fee on those public utility companies that provide electric services within the City of Forest Lake.

- (a) Pursuant to City Ordinance 619, a Franchise Agreement between the City of Forest Lake and Northern States Power Company, a Minnesota corporation, d/b/a Xcel Energy, its successors and assigns, the City has the right to impose a franchise fee on Northern States Power Company, a Minnesota corporation, d/b/a Xcel Energy, its successors and assigns, in an amount and fee design as set forth in Section 9 of the Northern States Power Company Franchise and in the fee schedule attached hereto as Schedule A.
- (b) Pursuant to City Ordinance 619, the City exercised its right to impose a franchise fee on Xcel Energy. This includes the right to modify the fee amount with the consent to Xcel Energy as to the terms of the Franchise Agreement.

Subd. 2. Franchise Fee Statement. Pursuant to Ordinance 619, a franchise fee is hereby imposed on Northern States Power Company, a Minnesota Corporation, d/b/a Xcel Energy, its successors and assigns, under its electric Franchise Agreement. The fee schedule is attached hereto and made a part of this Ordinance, commencing with the Xcel Energy's March 2026 billing month.

Subd. 3. Payment and Fee Design. The said franchise fee shall be payable to the City in accordance with the terms set forth in Section 9 of the Franchise.

- a) This fee is an account based fee and not a meter based fee. An account includes all electric meters located on a single property or premises that have the same address and property owner.
- b) Properties with a single address and owner shall pay the largest fee that applies to

any one of their meters.

c) Separately metered space rented to tenants other than the owner shall pay a fee for each tenant meter.

e) The City Administrator, or his designee, is authorized to determine the appropriate implementation of this Section 3.2. Appeals from decisions of the staff may be taken to the City Council.

Subd. 4. Surcharge. The City recognizes that the Minnesota Public Utilities Commission may allow Company to add a surcharge to customer rates of city residents to reimburse the Company for the cost of the fee.


Subd. 5. Record Support for Payment. Xcel Energy shall make each payment when due, and, if required by the City, shall provide at the time of each payment a statement summarizing how the franchise fee payment was determined, including information showing any adjustments to the total surcharge billed in the period for which the payment is being made to account or any uncollectibles, refunds or error corrections.

Subd. 6. Enforcement. Any dispute, including enforcement of a default regarding this ordinance will be resolved in accordance with Section 2.5 of the Franchise Agreement.

Subd. 7. Effective Date of Franchise Fee. The effective date of this Ordinance shall be after its publication and ninety (90) days after the sending of written notice enclosing a copy of this adopted Ordinance to Xcel Energy by certified mail. Collection of the fee shall commence as provided above.

SECTION 2. This ordinance takes effect as provided herein.

Passed and approved: November 24, 2025.

BY: 

Blake Roberts
Its Mayor

ATTEST:



Jolleen Chaika
Its Assistant City Administrator/Clerk

SCHEDULE A

Franchise Fee Rates:

Electric Utility

The franchise fee shall be in an amount determined by applying the following schedule per customer premise/per month based on metered service to retail customers within the City:

<u>Class</u>	<u>Amount per month</u>
Residential	\$5.50
Small C & I – Non-Demand	\$3.50
Small C & I – Demand	\$25.75
Large C & I	\$104.25
Public Street Lighting	\$
Municipal Pumping – Non-Demand	\$
Municipal Pumping – Demand	\$

Franchise fees are to be submitted to the City on a quarterly basis as follows:

- January – March collections due by April 30.
- April – June collections due by July 31.
- July – September collections due by October 31.
- October – December collections due by January 31.